

valorem property tax proceeds may be lawfully used by such taxing units, to be expended pro rata for purposes for which the unit levies property taxes.

Sec. 10. Construction Contracts. Contracts for the construction of the project may be awarded by the authority in such manner as in its judgment will best promote free and open competition, including advertisement for competitive bids in a newspaper of general circulation in the local unit in which the project is to be located; provided, however, that if the authority shall determine that the purposes of the Act will thereby be more effectively served, the authority in its discretion may award contracts for the construction of any project, or any part thereof, upon a negotiated basis as determined by the authority. The authority shall prescribe such bid security requirements and other procedures in connection with the award of such contracts as in its judgment shall protect the public interest. The authority may by written contract engage the services of the lessee or prospective lessee of any project in the construction of such project and may provide in such contract that the lessee or prospective lessee may act as an agent of, or an independent contractor for the authority for the performance of the functions described therein, subject to such conditions and requirements, consistent with the provisions of this Act, as shall be prescribed in such contract, including such functions as the acquisition of the site and other real property for such project, the preparation of plans, specifications and contract documents, the award of construction and other contracts upon a competitive or negotiated basis, the construction of such project, or any part thereof, directly by such lessee or prospective lessee, the inspection and supervision of construction, the employment of engineers, architects, builders and other contractors and the provision of money to pay the cost thereof pending reimbursement by the authority. Any such contract may provide that the authority may, out of proceeds of bonds, make advances to or reimburse the lessee or prospective lessee for its costs incurred in the performance of such functions and shall set forth the supporting documents required to be submitted to the authority and the reviews, examinations and audits that shall be required in connection therewith to assure compliance with the provisions of this Act and such contract.

Sec. 11. Conflict of Interest. No officer, member, agent or employee of the authority, the State or any local unit shall be interested either directly or indirectly in any contract with the authority or in the sale of property, real or personal, to the authority for the purposes of the project; provided, however, that this Section shall not apply to any interest which the authority determines is so minor as not to be within the purview of the purpose of this Section. If any such officer, member, agent or employee shall have any interest in real property acquired prior to the determination of the location of any project, such interest shall immediately be disclosed to the authority and shall be set forth in the minutes of the authority, and the officer, member, agent or employee having any interest therein shall not participate on behalf of the authority in the acquisition of such property by the authority.

Sec. 12. Authorization of Funds for Initial Expenditures. In order to enable the authority to organize and commence its operations under